CHAPTER 236

MOTOR VEHICLES AND TRAFFIC REGULATION

HOUSE BILL 96-1143

BY REPRESENTATIVES Tucker, June, Mace, and Schwarz; also SENATORS Mutzebaugh, Thiebaut, and Weddig.

AN ACT

CONCERNING CERTAIN REQUIREMENTS IMPOSED BY THE DIVISION OF MOTOR VEHICLES ON PERSONS WHOSE DRIVING PRIVILEGES ARE AFFECTED BY THE "MOTOR VEHICLE FINANCIAL RESPONSIBILITY ACT".

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 42-2-125 (1) (j), Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended to read:

- **42-2-125. Mandatory revocation of license and permit.** (1) The department shall immediately revoke the license or permit of any driver, minor driver, or provisional driver upon receiving a record showing that such driver has:
- (j) Been required to FILE AND maintain proof of financial responsibility for the future as provided by section 42-4-1410 or article 7 of this title and who, at the time of a violation of any provision of this title, HAD NOT FILED OR was not maintaining such proof;
- **SECTION 2.** 42-4-1410, Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended to read:
- **42-4-1410. Proof of financial responsibility required suspension of license.** (1) Any person convicted of violating section 42-4-1409 (1) shall file and maintain proof of financial responsibility for the future as prescribed in sections 42-7-408 to 42-7-412. Said proof of insurance shall be maintained for a period of three years FROM THE DATE OF CONVICTION.
 - (2) The clerk of a court or the judge of a court which has no clerk shall forward to

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

the executive director of the department of revenue a certified record of any conviction under section 42-4-1409 (1). Upon receipt of any such certified record, the director shall give written notice to the person convicted that such person shall be required to provide proof of financial responsibility for the future for a period of three years FROM THE DATE OF CONVICTION and advising such person of the manner in which proof is to be provided. If no proof as required is provided to the director within a period of twenty days from the time notice is given or if at any time when proof is required to be maintained it is not so maintained or becomes invalid, the director shall suspend the driver's license of the person from whom proof is required and shall not reinstate the license of such person until proof of financial responsibility is provided.

SECTION 3. 42-4-1606 (2) and (4), Colorado Revised Statutes, 1993 Repl. Vol., as amended, are amended to read:

- **42-4-1606. Duty to report accidents.** (2) (a) IN ACCORDANCE WITH SECTION 42-7-202, the driver of a vehicle which is in any manner involved in an accident resulting in bodily injury to, serious bodily injury to, or death of any person or total damage to all property to the extent specified in section 42-7-202, shall, within ten days after such accident, submit to the department on the form provided a written report of such accident as provided in section 42-7-202. UNLESS THE INSURANCE INFORMATION HAS BEEN REPORTED TO LAW ENFORCEMENT AS SPECIFIED IN SUBSECTION (4) OF THIS SECTION.
- (b) Except when supplemental reports are required as provided in subsection (3) of this section, this THE REPORT SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (2) shall be the only written report required of the driver for any of the purposes specified in this article and in article 7 of this title, and said report shall be required of the driver whether or not the accident was investigated by the police authority.
- (c) If a report filed by a driver pursuant to this section specifies that the driver was not insured at the time of the accident, the director may take appropriate action against such driver in accordance with the provisions of section 42-7-202.
- (d) Nothing in this section shall be construed to prohibit any person affected by an accident from filing a report in connection with such accident.
- (4) (a) (I) It is the duty of all law enforcement officers who receive notification of traffic accidents within their respective jurisdictions or who investigate such accidents either at the time of or at the scene of the accident or thereafter by interviewing participants or witnesses to submit reports of all such accidents to the department on the form provided, INCLUDING INSURANCE INFORMATION RECEIVED FROM ANY DRIVER, within five days of the time they receive such information or complete their investigation.
- (II) If a report filed by a law enforcement officer pursuant to this section specifies that the driver was not insured at the time of the accident, the director may take appropriate action against such driver in accordance with the provisions of section 42-7-202.

- (b) THE LAW ENFORCEMENT OFFICER SHALL NOT BE REQUIRED TO COMPLETE AN INVESTIGATION OR FILE AN ACCIDENT REPORT:
- (I) In the case of a traffic accident involving a motor vehicle, if a THE law enforcement officer has a reasonable basis to believe that damage to the property of any one person does not exceed one thousand dollars and if the traffic accident does not involve injury to or death of any person; the law enforcement officer shall not be required to complete an investigation or submit a report of such traffic accident unless EXCEPT THAT THE OFFICER SHALL COMPLETE AN INVESTIGATION AND FILE A REPORT IF specifically requested to do so by one of the participants or unless IF one of the participants cannot show proof of insurance; OR
- (II) In the case of a traffic accident not involving a motor vehicle, if the traffic accident does not involve serious bodily injury to or death of any person. the law enforcement officer shall not be required to complete an investigation or submit a report of such traffic accident.
- **SECTION 4.** 42-7-201 (2) (c), Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended to read:
- **42-7-201. Director to administer article.** (2) (c) If the person, for the protection of the public interest and safety, files or has filed with the director proof of financial responsibility for the future EVIDENCE OF CURRENT LIABILITY INSURANCE IN THE DRIVER'S NAME, or has made a deposit as provided in section 42-7-418, the request for hearing shall also postpone the date on which the affected person's license or nonresident's operating privilege would otherwise be suspended.
- **SECTION 5.** 42-7-202 (1) and (3), Colorado Revised Statutes, 1993 Repl. Vol., as amended, are amended to read:
- **42-7-202. Report of accident required.** (1) The operator or owner of every motor vehicle which is in any manner involved in an accident in which any person is killed or injured or in which damage to the ANY property of any one person in excess of one thousand dollars is sustained, within ten days after such accident, shall report the matter in writing to the director UNLESS THE INSURANCE INFORMATION HAS BEEN PROVIDED TO LAW ENFORCEMENT AS REQUIRED IN SECTION 42-4-1606 (4). If such operator is physically incapable of making such report and is not the owner of the motor vehicle involved, the owner of the motor vehicle involved in the accident shall, within ten days after learning of the accident, make such report. If the operator and owner are the same person and such person is physically incapable of making such report within the required ten-day period, such person may designate some other person to make the report on behalf of such person or shall file the report as soon as such person is able to do so.
- (3) The director may rely upon the accuracy of information as to insurance or bond contained in written statements required under part 3 of this article OR UNDER SECTION 42-4-1606 unless and until the director has reason to believe that such information is erroneous.
- **SECTION 6.** The introductory portion to 42-7-301 (1), the introductory portion to 42-7-301 (2), and 42-7-301 (3) (d), Colorado Revised Statutes, 1993 Repl. Vol.,

as amended, are amended to read:

- **42-7-301.** Security and proof of financial responsibility for the future required under certain circumstances. (1) Unless exempt under section 42-7-302, an operator or owner named in an accident report required to be filed pursuant to section 42-7-202 OR SECTION 42-4-1606 shall file with the director, according to the procedure provided by this section, both:
- (2) BASED UPON A REPORT FILED PURSUANT TO SECTION 42-4-1606, the director shall determine whether an operator or owner is required to comply with the provisions of this article and, if so, shall:
- (3) The notice specified in paragraph (b) of subsection (2) of this section shall state that:
- (d) The date on which such person's license or nonresident's operating privilege would otherwise be suspended shall be postponed during the pendency of such hearing if the request for a hearing is made within twenty days after the mailing of said notice and if the person files security and proof of financial responsibility for the future as provided in paragraphs (a) and (b) of subsection (1) of this section EVIDENCE OF CURRENT LIABILITY INSURANCE IN THE RESPONDENT'S NAME.
- **SECTION 7.** 42-7-302 (1) (e), Colorado Revised Statutes, 1993 Repl. Vol., as amended, is repealed as follows:
- **42-7-302.** Exemptions from requirement of filing security and proof of financial responsibility for the future. (1) The requirement of filing security and proof of financial responsibility for the future pursuant to section 42-7-301 shall not apply:
 - (e) To the operator or owner, if the operator or owner:
- (I) Was involved in an accident but no injury or damage was caused to the person or property of anyone other than such operator or owner;
 - (II) Was legally parked at the time of the accident;
 - (III) Is found by the director to be free from fault for such accident;
- **SECTION 8.** 42-7-303, Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:
- **42-7-303. Duration of suspension.** (2) If the director determines that the driver is not responsible for any damages to any other party as a result of the accident, the driver may:
- (a) Prevent a suspension from occurring by filing future proof of liability insurance pursuant to section 42-7-408; or
- (b) Reinstate a license, If a suspension has already occurred, by filing future proof of liability insurance pursuant to section 42-7-408 and paying

THE REINSTATEMENT FEE.

- **SECTION 9.** 42-7-408 (1) (c), Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended, and the said 42-7-408 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:
- **42-7-408. Proof of financial responsibility methods of giving proof duration exception.** (1) (c) Notwithstanding the three-year requirement in paragraph (b) of this subsection (1), if an insured has been found guilty of a driving offense pursuant to section 42-4-1301 (1) or (2) OR IF THE INSURED'S LICENSE HAS BEEN REVOKED PURSUANT TO SECTION 42-2-125 (1) (m) OR 42-2-126 only one time and no accident was involved in such offense, proof of financial responsibility for the future shall be required to be maintained only for as long as the insured's license has been under restraint DRIVING PRIVILEGE IS ORDERED TO BE UNDER RESTRAINT, UP TO A MAXIMUM OF THREE YEARS. THE TIME PERIOD FOR MAINTAINING THE FUTURE PROOF OF LIABILITY INSURANCE SHALL BEGIN AT THE TIME THE DRIVER REINSTATES HIS OR HER DRIVING PRIVILEGE.
- (4) If at any time when insurance is required to be maintained in accordance with section 42-4-1409 or this article it is not so maintained or becomes invalid, the director shall suspend the driver's license of the person who has not maintained the required insurance and shall not reinstate the license of such person until future proof of financial responsibility is provided in accordance with section 42-7-406 (1).
- (5) Persons previously required to post three years proof of financial responsibility for the future pursuant to a conviction under section 42-2-125 (1) (m) shall only be required to post proof of financial responsibility for the future consistent with the provisions of this section.
- **SECTION 10.** 42-7-410 (1), Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended to read:
- **42-7-410. Certificate for insurance policy.** (1) Proof of financial responsibility may be made by filing with the director the written certificate of any insurance carrier duly authorized to do business in this state, certifying that it has issued to or for the benefit of the person furnishing such proof and named as the insured a motor vehicle liability policy or in certain events an operator's policy, meeting the requirements of this article, and that said policy is then in full force and effect. Such certificate shall give the dates of issuance and expiration of such policy and certify that the same shall not be cancelled unless ten days' prior written notice thereof is given to the director and shall explicitly describe all motor vehicles covered thereby, unless the policy is issued to a person who is not the owner of a motor vehicle.
- **SECTION 11.** 42-7-416, Colorado Revised Statutes, 1993 Repl. Vol., as amended, is amended to read:
- **42-7-416. Notice required upon cancellation.** When an insurance carrier has certified a motor vehicle liability policy under this article, it shall give ten days' written notice to the director before DURING THE TEN-DAY PERIOD IMMEDIATELY FOLLOWING THE EFFECTIVE DATE OF THE cancellation of such policy and the policy

shall continue in full force and effect until the date of cancellation specified in such notice or until its expiration; except that such a policy subsequently procured and certified shall, on the effective date of its certification, operate as a cancellation of any policy previously certified with respect to any motor vehicle designated in both certificates. STATING THAT THE POLICY HAS BEEN CANCELLED.

- **SECTION 12. Appropriation in long bill to be adjusted.** (1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of revenue for the fiscal year beginning July 1, 1996, shall be adjusted as follows:
- (a) The general fund appropriation for the motor vehicle division is decreased by thirty nine thousand eighty-eight dollars (\$39,088);
 - (b) The number of FTE for the motor vehicle division is decreased by 1.8 FTE.
- **SECTION 13. Effective date applicability.** Sections 9, 13, and 14 of this act shall take effect on passage, and section 9 of this act shall apply to persons required to provide proof of financial responsibility for the future pursuant to section 42-7-408, Colorado Revised Statutes, on or after said date. The remainder of this act shall take effect July 1, 1996, and shall apply to acts committed on or after said date.
- **SECTION 14. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 1, 1996